



OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



DARLENE GREEN  
Comptroller

*Internal Audit Section*

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FILE COPY

August 8, 2012

Margaret Fisher, Assistant Director of the Office of Sponsored Programs  
Saint Louis University New Hope Comprehensive Care Clinic  
3700 West Pine Mall  
Fusz Hall 3<sup>rd</sup> Floor  
St. Louis, MO 63108

RE: Ryan White Part B (Project #2012-DOH11)

Dear Ms. Fisher:

Enclosed is the report of the fiscal monitoring review of Saint Louis University New Hope Comprehensive Care Clinic, a not-for-profit organization, Ryan White Part B program, for the period April 1, 2011 through March 31, 2012. The scope of a fiscal monitoring review is less than an audit, and as such, we do not express an opinion on the financial operations of Saint Louis University New Hope Comprehensive Care Clinic. Fieldwork was completed on May 31, 2012.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and through an agreement with the Department of Health (DOH) to provide fiscal monitoring to all federal grant sub-recipients.

If you have any questions, please contact the Internal Audit Section at 314-657-3490.

Sincerely,

Dr. Kenneth M. Stone, CPA, CGMA  
Internal Audit Executive

Enclosure

cc: Joan McCray, Fiscal Manager, DOH  
Sylvia Nelson, Fiscal Manager, DOH



# CITY OF ST. LOUIS

**DEPARTMENT OF HEALTH (DOH)  
RYAN WHITE PART B**

**SAINT LOUIS UNIVERSITY NEW HOPE  
COMPREHENSIVE CARE CLINIC  
CONTRACT #HD-11-47  
CFDA #93.917**

**FISCAL MONITORING REVIEW**

**APRIL 1, 2011 THROUGH MARCH 31, 2012**

**PROJECT #2012-DOH11**

**DATE ISSUED: AUGUST 8, 2012**

**Prepared by:  
The Internal Audit Section**



## OFFICE OF THE COMPTROLLER

**HONORABLE DARLENE GREEN, COMPTROLLER**

**CITY OF ST. LOUIS  
DEPARTMENT OF HEALTH (DOH)  
RYAN WHITE PART B  
SAINT LOUIS UNIVERSITY NEW HOPE  
COMPREHENSIVE CARE CLINIC  
FISCAL MONITORING REVIEW  
APRIL 1, 2011 THROUGH MARCH 31, 2012**

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## INTRODUCTION

### Background

**Contract Name:** Saint Louis University New Hope Comprehensive Care Clinic

**Contract Number:** HD-11-47

**CFDA Number:** 93.917

**Contract Period:** April 1, 2011 through March 31, 2012

**Contract Amount:** \$178,832

This contract provided Ryan White Part B funds to Saint Louis University New Hope Comprehensive Care Clinic (Agency) to provide case management services for Missouri residents living with the human immunodeficiency virus (HIV) and/or acquired immunodeficiency syndrome (AIDS) within the St. Louis region.

### Purpose

The purpose of the review was to determine the Agency's compliance with federal, state, and local Department of Health (DOH) requirements for the period April 1, 2011 through March 31, 2012, and make recommendations for improvements as considered necessary.

### Scope and Methodology

Inquiries were made regarding the Agency's internal controls relating to the grants administered by DOH. Evidence was tested supporting the reports the Agency submitted to DOH and other procedures were performed as considered necessary. Fieldwork was completed on May 31, 2012.

### Exit Conference

An exit conference was conducted at the Agency on July 30, 2012. The Agency was represented by the Director of Sponsored Programs and the Assistant Director of Sponsored Programs.

The Internal Audit Section (IAS) was represented by the Internal Audit Executive and the Auditor-In-Charge.

### Management's Response

Management's response to the observation and recommendation noted in the report was received on July 31, 2012 and has been incorporated into this report.

## **SUMMARY OF OBSERVATIONS**

### **Conclusion**

The Agency did not fully comply with federal, state, and local DOH requirements.

### **Status of Prior Observations**

The Agency's previous fiscal monitoring report, Project #2011-DOH09, issued September 12, 2011 contained no observations.

### **A-133 Status**

The Agency expended over \$500,000 in federal awards for the fiscal year ended June 30, 2011 and was required to have an A-133 audit.

The report dated October 31, 2011, expressed unqualified opinions on the financial statements and the federal awards. There was no material weaknesses disclosed. The Agency did not qualify as a low-risk auditee.

IAS reviewed the report on June 06, 2012 and recommended that the report be accepted.

### **Summary of Current Observations**

A recommendation was made for the following observation, which if implemented, could assist the Agency in fully complying with federal, state, and local DOH requirements.

- Opportunity to ensure full compliance with contract agreement

## **DETAILED OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT'S RESPONSES**

### **Opportunity To Ensure Full Compliance With Contract Agreement**

Documentation of a background check for three employees was requested. The Internal Audit Section (IAS) received the background check for one out of three employees tested. Per an email from the Human Resource representative of the Agency, dated May 23, 2012, the Agency did not perform a background check prior to hiring two out of the three employees.

Section 4.1.11 of Contract #HD-11-47 states "Ensure that all applicants for case manager positions are complete, prior to hiring, a consent form similar to that described in Section 43.540 Revised Statutes of Missouri (RSMo), requesting in writing a criminal background check from the Missouri State Highway Patrol or register through the Family Care Safety registry."

In addition, the contract states "Results of the criminal background check are to be maintained in the applicant's personnel file as a confidential record and a copy supplied to DOH. The DOH shall have access to the results of the report for the sole internal purpose of determining compliance with this provision and in determining the suitability of the applicant."

The Agency did not have sufficient internal controls in order to ensure that a background check was performed on all employees receiving grant funds from DOH.

Without sufficient internal controls in place to ensure that all employees have performed a background check, the Agency might hire a person that is not qualified for the job.

### **Recommendation**

It is recommended that the Agency immediately perform background checks and submit a copy of the report to DOH.

### ***Management's Response***

*The University believes that the required background checks were completed on each of the employees at the time of their hire in the years of 2001, 2007, and 2008. The complete files of the background checks were not available during the audit, only confirmations that the background check was completed with no findings, which was deemed non-compliant.*

*Subsequent to audit fieldwork, it was determined federal regulations prohibit the entire background check file from being shared with outside entities. (See 5 U.S.C. 552a*

*(b); 28 U.S.C. 534(b); 42 U.S.C. 14616, Article IV (c); 28 CFR 20.21(c), 20.33(d), 50.12(b) and 906.2(d).)*

*The University has agreed to conduct additional background checks on these employees this year in order to be deemed in compliance with the terms of the current agreement. The University will have to work with the city on how to be compliant with federal regulations and at the same time provide the city access to the results in a manner that they deem to be consistent with the agreement.*